



CHULA VISTA

MOBILEHOME PARK CLOSURE ORDINANCE UPDATE PUBLIC MEETING

Monday, July 9, 2007
5:30 p.m. – 7:30 p.m.

CHULA VISTA CITY HALL
COUNCIL CHAMBERS
276 FOURTH AVENUE
CHULA VISTA CA 91910

MEETING NOTES

Staff provided a presentation that included a summary of: comments that were received during the second round of workshops and staff's recommendation for each topic areas. After the presentation, attendees were asked to provide comment. A summary of the comments received are provided below.

GENERAL COMMENTS

- Is the City closing parks? Is there a list of parks to close and who identified them?
Ans: No, owner must initiate the process. The City is trying to lay out standards if it happens. There are parks that were identified for new land use designations in the General Plan adopted by City Council in 2005. The Urban Core Specific Plan proposed to change the zones for these affected parks to comply with the General Plan. However, a land owner can or could have at anytime in the past applied to close a park regardless of its zone or land use designation. Further, several parks have existed in commercial or industrial zones for years and are considered legal non-conforming uses. This does not affect the ability for them to continue as trailer parks.
- Who's initiating the ordinance update process?
Ans: The Housing Element adopted in October 2006 identified the need for updating the ordinance and closure of Jade Bay increased the priority level.
- Why is the ordinance being updated?
Ans: The City ordinance was adopted in 1989 and supplements State Mobilehome Residency Law. Due to the age of the ordinance, concerns were raised that it does not provide adequate protections for residents and does not provide a clear process.
- Why are parks closing now?

Ans: The City does not have any applications for closure, but believe there is a perception that parks may close because the market and land values are so high right now.

- Parks are losing value from being identified for proposed zone changes
- Land owners have the right to move on if they decide to discontinue using the land for a mobilehome park
 - Particularly, in rent controlled environments owning a park is not as profitable as people think
- Praise Chula Vista for taking on inspection program & having closure ordinance
- Think City inspections for Title 25 should be more thorough and City should follow-up for violations more often
- Need to clarify difference between Mobilehome and Trailer
 - All parks must register to HCD regardless of park type
 - But, what registration is required through HCD and DMV for individual units?

Ans: Units built before 1976 are grandfathered and do not need HCD registration, sometimes will still be registered with DMV.

- Has anyone considered purchasing the parks as a Condominium, where residents purchase individual lots?
 - Need willing sellers
 - Park owners could keep charging top dollars for lots
 - How do you address Council?
 - Noticing for these public meetings should be increased, not everyone received a notice
- Ans: Notices were provided to the interest list that was formed from the sign-in sheets at past meetings and park managers were requested to post notices at parks. In addition, ads were run in the Star News and La Prensa. Staff will look into further noticing.*
- Some people feel they are being intimidated from participating in the process

NOTIFICATION OF PARK CLOSURE

- Park owners have obligations to notify residents and should provide at least 5 years

RELOCATION ASSISTANCE

- Lump sum rental assistance only covers one (1) year, what do residents do after that?
 - Must be able to afford rent
 - May not be able to rent/move on
 - Benefit should be calculated for each individual and not a lump sum
- Parks won't accept mobilehomes, not even newer ones. Park owners want to bring brand new manufactured homes in.

Ans: Park owners have the ability to deny mobilehomes due to condition or age and choose to bring in new homes if they desire.

MOBILEHOME VALUE

- Need Fair Market Value (what someone would pay today)
 - People who recently purchased paid market value and now face losing "investment" (money)
 - Need more money, landowner selling for top dollar
- Are other jurisdictions with closure ordinances providing fair market value?

Ans: Yes, some jurisdictions identify fair market in their ordinances, but most are not in rent controlled City's and/or have never used the closure ordinance. One City, Huntington Beach is currently in litigation over this issue and there is draft legislation at the State level regarding.

- If land owner will get fair market for land, why shouldn't the resident get fair market for their coach?
 - Fair market value includes a "blue sky" value for the rights to be in that space. Essentially you pay to take over the rights to a lease. If there is no lease, you have no value. When you are on a month to month lease you have a higher risk. Long-term leases would provide better assurance of park continuation.
 - Inconsistent arguments, residents want Fair Market Value if a park closes, but also want to maintain rent control right now.

- Should pay for permitted improvements/additions

- Mobilehomes are not cars, they should not depreciate

Ans: Even single family homes depreciate, the actual structure depreciates and the land has the value/appreciates.

- Should receive Replacement Value before depreciation

- If you maintain your unit will depreciation be the same?

Ans: An appraiser would determine this and provide "credit" for good maintenance in the Economic/Functional life.

- Should get enough to buy another home

- Do not believe value for a trailer should be calculated using Kelly BlueBook, it is not a car

Ans: Kelly BlueBook has a edition dedicated to Travel trailers & Fifth Wheels. Through staff research, they did not find another mechanism/calculation that would provide a defined process and dollar amount.



CHULA VISTA

MOBILEHOME PARK CLOSURE ORDINANCE UPDATE OWNERS STAKEHOLDERS WORKING GROUP MEETING

Wednesday, July 11, 2007

2:00 p.m. – 4:00 p.m.

**CHULA VISTA CITY HALL
EXECUTIVE CONFERENCE ROOM
276 FOURTH AVENUE
CHULA VISTA CA 91910**

MEETING NOTES

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GENERAL COMMENTS

- Issue within Chula Vista with the rent control and lack of long-term leases
 - Long-term leases provide further security, but not perceived this way
 - Golden State Manufactured Owners League (GSMOL) tells residents not to sign long-term leases
 - Real estate agents should be responsible for informing residents of their rights to lease options and the risks associated with purchasing a mobilehome
 - Agents suppose to be licensed
 - Mobilehome dealers are licensed with the State Department of Housing and Community Development (HCD) to sell mobilehomes only

NOTIFICATION

- Would the required one year notification prohibit park owners from talking to residents and providing additional notice?
Ans: No, the ordinance will only provide minimums; owners are encouraged to talk with residents.
- Could maximums be placed on the City for processing applications?
Ans: Because the processing time is so dependent on the completeness of the application, it would be difficult to guarantee a specified period for City review.

TENANT RELOCATION ASSISTANCE

- Believe the proposed changes are fair

RELOCATION ASSISTANCE

- Concern for people moving to non rent-controlled areas and providing them with a one-year subsidy
 - Artificially making the move affordable
- Potentially change the additional assistance to address extremely low income category and delete assistance to low income
- What happens when someone makes a permitted improvement & then alters it
 - Can affect structural integrity and potential capability to move
- Suggest reducing or considering rental subsidy for six (6) months instead of one (1) year
 - Property managers (apartments) often define the financial “break even” point of moving as six (6) months
- Rental subsidy does not require two times (2x) income

MOBILEHOME VALUE

- Restrict full value compensation to occupant owners
 - Define occupant owners as someone occupying the home for 9 of the preceding 12 months, per State law
 - Provide less compensation for non-occupants, a hybrid of the minimums and depreciated value
 - It would be the burden of the owner to prove occupancy



CHULA VISTA

MOBILEHOME PARK CLOSURE ORDINANCE UPDATE RESIDENT STAKEHOLDERS WORKING GROUP MEETING

**Wednesday, July 11, 2007
9:30 a.m. – 11:30 a.m.**

**CHULA VISTA CITY HALL
EXECUTIVE CONFERENCE ROOM
276 FOURTH AVENUE
CHULA VISTA CA 91910**

MEETING NOTES

Staff provided a presentation that included a summary of: comments that were received during the second round of workshops and staff's recommendation for each topic areas. After the presentation, attendees were asked to provide comment. A summary of the comments received are provided below.

GENERAL COMMENTS

- There is a lot of fear in the Mobilehome community over potential zoning changes and its affect on park closures
Ans: There are parks that were identified for new land use designations in the General Plan adopted by City Council in 2005. The Urban Core Specific Plan proposed to change the zones for these affected parks to comply with the General Plan. However, a land owner can or could have at anytime in the past applied to close a park regardless of its zone or land use designation. Further, several parks have existed in commercial or industrial zones for years and are considered legal non-conforming uses. This does not affect the ability for them to continue as trailer parks.
- While the City has provided translation services and documents in Spanish, there is concern that some people are still not getting the message, particularly those Spanish speakers that do not read
- Why isn't the City considering a replacement park?
Ans: The City looked into a replacement park on the KOA property approximately 20 years ago and the surrounding community fought against it.

NOTIFICATION

- Disclosures should be provided at time of purchase describing the risk of month-to-month leases

TENANT RELOCATION ASSISTANCE

- Believe the proposed changes are fair

RELOCATION ASSISTANCE

- No comments

MOBILEHOME VALUE

- Concern over affordability and lifestyle at new housing
- Concern for people that financed/mortgage on units and will not receive that back
- Values of mobilehomes have dropped due to proposed zoning changes in the City
- An owner should at least receive what they paid for the unit
- Should receive fair market regardless of purchase date
 - We have a right to the space and therefore should receive fair market
 - If the park owner has to pay more to residents, he will simply pass that expense on to a developer. Developers *will pay* a higher premium for the land so there is no reason not to give us fair market.
- Our park owner has been making improvements to the park, is this because our park exists in a redevelopment area and he is required too?

Ans: No, the park owner is choosing to upgrade on his own, even if your park falls within a redevelopment area he is not required to make upgrades/improvements.



CHULA VISTA

MOBILEHOME PARK CLOSURE ORDINANCE UPDATE

SPANISH PUBLIC MEETING

Wednesday, July 11, 2007

5:30 p.m. – 7:30 p.m.

CHULA VISTA CIVIC CENTER LIBRARY

AUDITORIUM

276 FOURTH AVENUE

CHULA VISTA CA 91910

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GENERAL COMMENTS

- Want protection from owners.
- Owners do have rights; however, have obligations to the residents as well.
- Want specifications on the "overlay" district/zone.
- City should not allow park owners to be able to sell and take advantage of its residents.
- City should protect the residents' investment.
- Is there a committee or public group, which provides supports for park residents?
- Ordinance is not providing enough protection from park owners.
- Need to have their comments considered by the Council.

NOTIFICATION

- One year notice is not enough.

TENANT RELOCATION ASSISTANCE

- No comments were provided.

RELOCATION ASSISTANCE

- No spaces available to accommodate relocation.
- Who pays relocation?
- What about trailers/coaches that are not in a condition to be moved.

- Who determines how long assistance will be for (rental assistance).

MOBILEHOME VALUE

- Coach/Trailer values are too low. Should receive true market value.